

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office		(2) MEETING DATE February 28, 2006		(3) CONTACT/PHONE Dan Buckshi, (805) 781-5011	
(4) SUBJECT Submittal of a notice to commence negotiations for the exchange of property tax revenue and annual tax increment for Annexation No. 14 to the City of Pismo Beach (Los Robles del Mar).					
(5) SUMMARY OF REQUEST This request relates to the annexation of approximately 182 acres of property currently zoned Rural Lands to the City of Pismo Beach. The purpose of the annexation is to obtain City services in order to facilitate the development of the property into high and low density residential, with open space and a private school. Jurisdictional changes such as this can change service area responsibilities and/or impact operating expenses and revenues. The law requires affected jurisdictions (in the case, the County and the City of Pismo Beach) to negotiate an exchange of property tax revenue prior to the Local Agency Formation Commission's approval of the proposed change. A 60-day negotiation period will commence on upon approval of this notice. The notice contains information concerning the amount of revenue generated in the annexation area.					
(6) RECOMMENDED ACTION Approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 14 to the City of Pismo Beach (Los Robles Del Mar).					
(7) FUNDING SOURCE(S) N/A		(8) CURRENT YEAR COST N/A		(9) ANNUAL COST N/A	
(10) BUDGETED? <input type="checkbox"/> YES <input checked="" type="checkbox"/> N/A <input type="checkbox"/> NO					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): The Local Agency Formation Commission has the authority to oversee annexation of property. The City of Pismo Beach will participate in the tax exchange negotiations. The Auditor's Office provided the financial analysis.					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) 1st, 2nd, <u>3rd</u> , 4th, 5th, All			(14) LOCATION MAP <input checked="" type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		
(15) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Hearing (Time Est. _____) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)			(16) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A		
(17) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A			(18) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A		

(19) ADMINISTRATIVE OFFICE REVIEW <i>OK - Jim Grant</i>
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(2.28.06)

# County of San Luis Obispo

COUNTY GOVERNMENT CENTER, RM. 370 • SAN LUIS OBISPO, CALIFORNIA 93408 • (805) 781-5011



**TO: BOARD OF SUPERVISORS**  
**FROM: DAN BUCKSHI, ADMINISTRATIVE ANALYST**  
**DATE: FEBRUARY 28, 2006**

**DAVID EDGE**  
COUNTY ADMINISTRATOR

**SUBJECT: SUBMITTAL OF A NOTICE TO COMMENCE NEGOTIATIONS FOR THE EXCHANGE OF PROPERTY TAX REVENUE AND ANNUAL TAX INCREMENT FOR ANNEXATION NO. 14 TO THE CITY OF PISMO BEACH (LOS ROBLES DEL MAR)**

## Recommendation

Approve commencement of negotiations for the exchange of property tax revenue for Annexation No. 14 to the City of Pismo Beach (Los Robles Del Mar).

## Discussion

This request relates to the annexation of approximately 182 acres of property currently zoned Rural Lands to the City of Pismo Beach. The property, currently undeveloped, is located along the eastern part of Oak Park Boulevard, east of the City of Arroyo Grande, north and northwest of unincorporated County lands, south of the City of Pismo Beach, adjacent to the Sea Country Estates. The purpose of the annexation is to obtain City services in order to facilitate the development of the property into high and low density residential, with open space and a private school. Jurisdictional changes such as this can change service area responsibilities and/or impact operating expenses and revenues. The law requires affected jurisdictions (in the case, the County and the City of Pismo Beach) to negotiate an exchange of property tax revenue prior to the Local Agency Formation Commission's approval of the proposed change. A 60-day negotiation period will commence upon approval of this notice. The notice contains information concerning the amount of revenue generated in the annexation area. The County Administrative Office and the City of Pismo Beach will negotiate on behalf of their respective agencies and present a resolution for adoption within the 60-day time frame.

## Other Agency Involvement/Impact

The Local Agency Formation Commission has the authority to oversee annexation of property. The property is proposed to be annexed into the City of Pismo Beach, therefore, as one of the affected agencies, the City of Pismo Beach will participate in the tax exchange negotiations. The Auditor's Office provided the financial analysis.

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### **Financial Considerations**

If negotiations are successful, the County will transfer an agreed upon percentage of property tax increment, before the Educational Revenue Augmentation Fund (ERAF) calculation, to the City of Pismo Beach. There will not be a transfer of base property taxes. The attached notice contains information concerning the amount of revenue generated in the annexation area.

### **Results**

To agree to a fair and equitable exchange of property tax revenue as a result of annexation of property.

#### **Attachments**

Notice to Commence Negotiations  
Map of proposed annexation

c - Dave Fleishman, City of Pismo Beach  
Marsha Stillman, Auditor-Controller's Office  
Paul Hood, LAFCO

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Note: At close of negotiations, each agency shall immediately transmit to the LAFCO Executive Officer a certified copy of the resolution setting forth the amount of property tax revenue to be transferred. For dependent districts, the Clerk of the Board of Supervisors shall transmit a certified copy of the Board's resolution adopted on behalf of both parties. This will allow LAFCO to commence processing of the jurisdictional change.

*Los Robles Del Mar Specific Plan*

